GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA

UNSTARRED QUESTION NO:1673
ANSWERED ON:03.08.2005
FORMULATION OF NATIONAL POSTAL POLICY
Meghwal Shri Kailash

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether the Government proposes to formulate `National Postal Policy`;

(b) if so, the action proposed in this regard and the time by which the decision is likely to be taken by the Government;

(c) whether the Postal network of the Government in the remote rural areas is lagging far behind the private courier companies;

(d) if so, the reasons therefor;

(e) whether private courier companies hold more than 90 percent of the Express Market;

(f) if so, the details thereof; and

(g) the steps taken by the Government to increase its share in the Express Market and expansion of postal services in rural areas?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEEL AHMAD)

(a) Yes, Sir.

(b) The Government is currently engaged in the process of updating the provisions of the Indian Post Office Act to make it more relevant to the times and empower the Postal Services Board so that the department enjoys more functional autonomy. The Government has also recognized the need to clearly identify the Universal Service Obligation and the cost of fulfilling it, which, today, is included as a part of the Department`s budgetary deficit/loss. A major exercise has been initiated to review the system in terms of structure, products, processes, resources, accounting and pricing structure, technology requirements, etc., and to identify how best the Department can meet the twin challenges of becoming commercially viable while continuing to fulfill the Universal Service Obligation.

The exercise to formulate the National Postal Policy is underway taking into account these initiatives and their outcomes. Since the exercise involves inter-departmental consultations, and completion of the above initiatives, no specific timeframe can be indicated at this juncture.

(c) No, Sir, India has the largest postal network in the world and 89% of it is in the rural area. Basic postal services in terms of daily delivery of dak, collection of letters and sale of stamps and stationery are being provided throughout the country through this network, irrespective of terrain.

(d) Does not arise in view of (c) above.

(e) & (f): The market share of Speed Post is around 11% as per a projection made by Kurt Salmon & Associates (KSA) in their report `Market Survey on Express Market - December, 2001`. However, market share of India Post is about 50% in the mail delivery market if all mail products are put together.

(g) A number of value additions, like free pick up facility, door to door delivery, internet based track and trace, volume based discounts and credit facility have been provided over the years. The number of booking counters and offices with facility for booking upto late hours has been increased.

Basic postal services in terms of daily delivery, collection of letters and sale of stamps and stationery are already available throughout the country. Post Offices will continue to be opened subject to fulfillment of distance, population and income norms.